

Private Hospitalisation Insurance

Medical costs insurance

General Insurance Conditions (AVB) Version 01.1997

The insured persons and benefits are indicated in the policy as are the date when insurance cover commences, the duration of the contract and any special agreements.

The Federal Insurance Contract Act (VVG) applies in addition to the General Insurance Conditions.

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Art. 1 Supplementary character of the insurance

All benefits are insured supplementary to those of the mandatory healthcare insurance (KVG).

Art. 2 Illness, accident, maternity

2.1 Illness is defined as any impairment of physical or mental health not resulting from an accident that requires a medical examination or treatment or that leads to incapacity for work.

2.2 An accident is defined as any sudden and harmful involuntary injury caused to the human body by an external factor. Whether or not each benefit is insured in case of accident is indicated in the policy.

References to illness in the General Insurance Conditions by extension include accidents as well.

2.3 We pay the same benefits for maternity (pregnancy, birth, confinement) as for illness.

Art. 3 Contract term and termination of insurance cover

3.1 The contract term is indicated in the policy. The insurance renews automatically by one year at a time.

3.2 The insured person can terminate the insurance to the end of an insurance year by observing a three-month notice period. Benefit cases pending at the time of notice remain in effect.

CSS expressly waives its right to cancel the insurance when the contract expires.

3.3 When a benefit case occurs for which CSS is liable, the insured person is entitled to terminate the insurance in writing.

However, CSS expressly waives its right to cancel the insurance after a benefit case.

3.4 Any changes in premiums, rules for co-payment, no-claims discounts and the General Insurance Conditions are subject to Articles 8 and 9.

3.5 The insurance expires in the following cases:
a) The legal place of residence is moved abroad;
b) Temporary stays abroad of more than one year at the end of the insurance year.

Art. 4 Reimbursement of premiums

If the contract is terminated before the expiry date, we refund the unused portion of premiums unless the insured person terminates the contract during the first insurance year in connection with a claim.

Art. 5 Substitute policy

If the contract is issued to replace another CSS contract, any benefit restrictions under the previous policy will apply to future benefits.

Art. 6 Arrears in payment by the policyholder

Interest on arrears applies 30 days after the due date for payment of invoices for premiums, co-payments and other payments.

Art. 7 Co-payment

Insured persons must pay the deductibles shown on the policy plus a general retention fee of 10%, unless indicated otherwise. The retention fee does not apply to benefits that are subject to a limit or to benefits for hospitalisation.

Art. 8 Discounts and bonuses

8.1 CSS may grant discounts and bonuses. The loss of discounts owing to non-fulfilment of the conditions of eligibility does not entitle the policyholder to terminate the insurance that has been taken out. The same applies if contractually agreed criteria mean that no bonus is paid out. The reduction of discounts or bonuses by CSS as

the result of a rate adjustment and/or the amendment by CSS of the conditions of eligibility for a discount or bonus gives rise to a right to terminate the insurance.

8.2 CSS grants children and young people a family discount up to the end of the calendar year in which the insured person reaches the age of 18.

CSS sets out the details of this family discount in an Appendix to the AVB. CSS may amend this Appendix to the AVB unilaterally. Any amendments will take effect at the beginning of the calendar year in each case.

The level of the discount depends on the insurance cover of the person of discount (the parent or guardian) and that of the child or young person. It is stated on the policy.

Children and young people are eligible for a discount up to the age of 18 providing all of the following conditions are met:

- a) The child is covered by basic insurance with CSS Kranken-Versicherung AG, Arcosana AG, or INTRAS Kranken-Versicherung AG.
- b) An adult parent or guardian (the person of discount) lives in the same household.
- c) The person of discount is covered by basic insurance with CSS Kranken-Versicherung AG, Arcosana AG, or INTRAS Kranken-Versicherung AG.

8.3 The amount of the discount is calculated on the basis of the net premium, and stated for each product on the policy or premium summary.

Sample calculation: Private Hospitalisation Insurance with a number of discounts:

Gross premium	CHF 44.30
– discount I (notional) 10%	CHF 4.40
Net premium I	CHF 39.90
– discount II (notional) 50%	CHF 19.95

Net premium II (actual premium due) CHF 19.95

8.4 CSS will announce changes to discounts and bonuses, and to the conditions of eligibility for a discount or bonus, no later than 30 days prior to the end of the calendar year. If the insured person does not agree to these changes, he can terminate the insurance concerned with effect from the end of the current calendar year by giving notice in writing. Such notice is deemed to be on time if it is received by CSS no later than the last working day of the current calendar year, during normal office hours.

Art. 9 No-claims discount/Crediting earlier insurance years

9.1 Every insured person is eligible for a premium discount if CSS paid no benefits that apply to the no-claims discount during the observation period.

The observation period starts at the beginning of September and lasts to the end of August of the most recent three consecutive years.

9.2 The following discount levels apply:

Discount level	Discount in %	Benefits received in CHF over three years
0	0	> 12 000
1	25	<= 12 000
2	50	0

Maternity benefits and benefits from the Health Account are not factored in to the calculation of the no-claims discount. When concluding a contract, the insured person automatically receives discount level 2. This does not apply to insured persons who have Semi-private Hospitalisation Insurance, CSS Standard Plus Insurance, and to the transfer portfolio (Section V "Insurance for Cost of Hospital

Treatment”, Section VI “Insurance for Hospital Costs”). Benefits received from this insurance are included in the calculation of the discount level.

9.3 The discount is indicated on the policy and/or premium table.

Entitlement to a discount is reviewed annually. If applicable benefits are claimed during the observation period, the discount level is adjusted at the beginning of the new calendar year.

9.4 A loyalty discount applies to inherited portfolios with policies from earlier insurance years (before 01.01.1997).

Art. 10 Change of premium rates, co-payment rules, and General Insurance Conditions (AVB) for individual benefits

10.1 CSS can adjust the contract if the premium rates or the regulations on co-payment change (deductible, retention fee).

A change in a no-claims discount does not constitute a reason for contract termination.

10.2 CSS is entitled to adapt the General Insurance Conditions for specific benefits in cases where the number or types of new service providers increases because of developments in modern medicine or if new or more expensive forms of therapy are introduced.

10.3 CSS informs the insured person of any changes no later than 30 days before the calendar year ends. If the insured person does not agree to the changes, he can cancel the contract concerned in writing. CSS must receive the notice of termination no later than on the last working day of the current insurance year.

The contract change is deemed to have been accepted unless CSS is given notice within 25 days from when it informed about the change.

Art. 11 Change of tariff age group

11.1 CSS can adapt premiums when the following tariff age groups begin:

age 0 – 18	age 46 – 50
age 19 – 25	age 51 – 55
age 26 – 30	age 56 – 60
age 31 – 35	age 61 – 65
age 36 – 40	age 66 – n
age 41 – 45	

11.2 The insurance can be terminated if the premium changes because of a higher tariff age group.

Art. 12 Change of residence

CSS must be informed immediately of any change of residence. Any subsequent premium adjustment by CSS applies from the date of the change. Such a change does not justify termination.

Art. 13 Children

13.1 CSS insures newborns without any proviso from the day of birth, provided it receives the application no later than 30 days after the birth.

13.2 CSS can restrict the children’s insured benefits to those of the parents.

Art. 14 Scope of benefits

14.1 CSS pays the cost of accommodation and supplementary cost of treatment in a hospital anywhere in Switzerland, including the cost of accommodation and initial medical examination of a healthy newborn while the mother is hospitalised, provided the newborn is insured with CSS

within 30 days of the birth.

14.2 The insurance option is indicated in the policy:

a) Private ward: Single room without rate agreement with CSS;

a) Private ward: Single room with a rate agreement with CSS and based on CSS’s restricted list of hospitals.

14.3 If the insured person has no supplementary cover for outpatient costs and if outpatient treatment or partial inpatient treatment helps to avoid or reduce an insured hospital stay, CSS pays the treatment costs up to the amount of the hospital stay.

14.4 Benefits for bone marrow and organ transplants are based on the rate approved by CSS.

14.5 If an insured person who has purchased Private Hospitalisation Insurance with a selectable deductible is admitted to the general ward of a hospital on the KVG list of hospitals, CSS waives the deductible.

Art. 15 Benefit case, notification, filing a claim

Benefit case:

15.1 A benefit case refers to an invoice by a service provider for the contractual services it rendered over three months at the most.

If the contract ends, entitlement to benefits ends within three months at the latest.

Notification:

15.2 CSS must be informed immediately if the insured person is hospitalised. CSS issues a commitment to provide cover within the scope of the insured benefits on request.

Filing a claim:

15.3 In order to file a claim, the original invoices and medical certificates must be submitted to CSS that show what services were rendered and how they were justified.

Art. 16 Exclusions, benefit restrictions

The insurance does not cover:

16.1 statutory benefits, in particular those in accordance with the KVG and VVG;

16.2 services that are not officially recognised or medically prescribed or that are unsuitable and uneconomical, unless the AVB expressly stipulate otherwise;

16.3 benefits for maternity and related illnesses, if the beginning of the pregnancy is before the start date of the insurance;

16.4 hospital stays that do not serve to improve the state of health (chronic illnesses);

16.5 cures for addictions;

16.6 cosmetic treatment;

16.7 cellular therapy;

16.8 payments toward the difference in the invoiced costs and the hospital rates for residents of the canton, if the insured person uses the services of a hospital located outside the canton of residence for medical reasons;

16.9 illnesses and accidents resulting from violations of neutrality, warlike events and the use of nuclear energy for military purposes in times of peace and in times of war;

16.10 accidents resulting from earthquakes or premeditated crimes and offences by the insured person;

16.11 illnesses and accidents resulting from exceptional hazards and acts of daring;

16.12 co-payment, patients’ shares of expenses;

16.13 benefits for the time before the claim was notified if the delay cannot be justified;

16.14 cases where the insured person ignores the instructions of doctors and other service providers.

Benefit restrictions:

- 16.15 CSS pays benefits abroad only if and for as long as the insured person cannot reasonably be expected to return to Switzerland.
CSS pays benefits, for which the insured person must present proof, up to the amount indicated on the policy and that would be due at the insured person's domicile in Switzerland.
- 16.16 In the case of stays in psychiatric clinics and hospital wards, entitlement to benefits is limited to 180 days during a period of 900 consecutive days.

Lists:

- 16.17 The lists referred to in the AVB with details on benefits and authorised providers are available on request at any time.

Art. 17 Benefit reductions

CSS waives its right to reduce benefits if an event is caused by gross negligence.
Benefit reductions from other insurance policies are not replaced.

Art. 18 Contracts with service providers

CSS reserves the right to agree rates and other services for the benefit of insured persons.

Art. 19 Coordination of benefits with social insurers and other insurers

- 19.1 In benefit cases for which an accident insurer (UVG), a health insurer (KVG), a military insurer (MV), or a disability insurer (IV) is liable for benefits, CSS pays only benefits not covered by these insurers and within the scope of the insured benefits that are owed.
- 19.2 In the case of double or multiple insurance, CSS will pro-rate its benefits in accordance with statutory provisions.

Art. 20 Health Account

CSS participates in the cost of individual preventive measures as defined by the Health Account.

Art. 21 Place of jurisdiction

If legal disputes arise, the policyholder can take action against CSS exclusively at the court with jurisdiction at his domicile in Switzerland or in Lucerne.

Appendix**Art. 22 Family discount**

As a family insurer, CSS Versicherung AG grants attractive family discounts for children and young people on premiums for supplementary insurance under the VVG.

22.1 Eligibility for premium discounts on supplementary insurance

The cumulative conditions of eligibility for the family discount are set out in paragraph 8.2 of the General Insurance Conditions (AVB).

22.2 Discount and maximum age

Discount: 50%
Maximum age: up to age 18

The amount of the discount is calculated on the basis of the net premium, and stated for each product on the policy or premium summary for the child or young person.

Sample calculation: Private Hospitalisation Insurance with a number of discounts¹:

Gross premium	CHF 44.30
– discount I (notional) 10%	CHF 4.40
Net premium I	CHF 39.90
– family discount 50%	CHF 19.95
Net premium II (actual premium due)	CHF 19.95

¹ The insured person is 5 years old. The premium stated here is purely for illustration purposes and does not correspond to the actual premium.

Translation: Only the original German text approved by the Swiss Supervisory Authority is binding.